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## **INFORMATION CIRCULAR**

as at December 22, 2017 (unless indicated otherwise)

This management information circular (“Information Circular”) is furnished in connection with the solicitation of proxies by the management of NUBIAN RESOURCES LTD. (the “Company” or “Nubian”) for use at the Annual and Special Meeting of shareholders of the Company (the “Meeting”) to be held on Wednesday, January 24, 2018 at the time and place and for the purposes set forth in the accompanying Notice of Annual and Special Meeting.

Notice of the Meeting was provided to the TSX Venture Exchange (“TSX-V”) and to the securities commissions in each jurisdiction where the Company is a reporting issuer under applicable securities laws.

In this Information Circular, references to “the Company”, and “Nubian” refer to Nubian Resources Ltd. “Common Shares” means Class “A” voting common voting shares without par value in the capital of the Company. “Registered Shareholders” means shareholders whose names appear on the share register of the Company. “Non-Registered Shareholders” means shareholders who hold their Common Shares with a bank, broker or other financial intermediary, and “Intermediaries” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Non-Registered Shareholders.

The contents and the sending of this Information Circular have been approved by the directors of the Company.

## **GENERAL PROXY INFORMATION**

### **Solicitation of Proxies**

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. The Company will bear all costs of this solicitation. The Company has arranged for Intermediaries to forward the meeting materials to Non-Registered Shareholders of the Common Shares held of record by those Intermediaries and the Company may reimburse the Intermediaries for their reasonable fees and disbursements by them in so doing.

### **Appointment of Proxyholders**

The individuals named in the accompanying form of proxy are directors or officers of the Company (the “Management Designees”). If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than either of the persons designated in the proxy, who need not be a shareholder, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the proxy or by completing and delivering another suitable form of proxy.

### **Voting by Proxyholder**

The Management Designees named in the proxy will vote or withhold from voting the Common Shares represented thereby in accordance with the instructions of the shareholder on any ballot that may be called for. If

you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly. The proxy will confer discretionary authority on the nominees named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors,
- (b) any amendment to or variation of any matter identified therein, and
- (c) any other matter that properly comes before the Meeting.

**THE COMMON SHARES REPRESENTED BY THE ACCOMPANYING FORM OF PROXY WILL BE VOTED AS DIRECTED BY THE SHAREHOLDER, HOWEVER, IF SUCH A DIRECTION IS NOT MADE IN RESPECT OF ANY MATTER, THIS PROXY WILL BE VOTED AS RECOMMENDED BY MANAGEMENT.**

### Registered Shareholders

If you are a Registered Shareholder, you may elect to submit a proxy whether or not you are able to attend the Meeting in person. Registered Shareholders electing to submit a proxy may do so by:

- (a) completing, dating and signing the enclosed form of proxy and returning it to the Company's transfer agent, Computershare Investor Services Inc., by fax within North America at 1-866-249-7775, outside North America at (416) 263-9524, or by mail or by hand to the 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1;
- (b) using a touch-tone phone to transmit voting choices to a toll-free number. Registered Shareholders must follow the instructions of the voice response system and refer to the enclosed proxy for the toll-free number, the holder's account number and the proxy access number; or
- (c) using the internet through the website of the Company's transfer agent at [www.computershare.com/ca/proxy](http://www.computershare.com/ca/proxy). Registered Shareholders must follow the instructions that appear on the screen and refer to the enclosed proxy form for the holder's account number and the proxy access number;

in all cases ensuring that the proxy is received at least 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof at which the proxy is to be used. Late proxies may be accepted or rejected by the Chairman of the Meeting in his or her discretion, however the Chairman is under no obligation to accept or reject any particular late proxy. The Chairman of the Meeting may waive this time limit for receipt of proxies without notice.

### Non-Registered Shareholders

**The following information is of significant importance to shareholders who do not hold Common Shares in their own name.** Non-Registered Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders (those whose names appear on the records of the Company as the registered holders of Common Shares) or as set out in the following disclosure.

If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in the shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the names of Intermediaries. In the United States, the vast majority of such Common Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada,

under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms).

Intermediaries are required to seek voting instructions from Non-Registered Shareholders in advance of meetings of shareholders. Every Intermediary has its own mailing procedures and provides its own return instructions to clients. You are encouraged to follow the instructions provided by your Intermediary to provide your voting instructions. Your Intermediary will not vote your Common Shares without receiving instructions from you.

The form of proxy supplied to you by your broker will be similar to the proxy provided to Registered Shareholders by the Company. However, its purpose is limited to instructing the Intermediary on how to vote your Common Shares on your behalf. Most brokers delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in the United States and in Canada. Broadridge mails a Voting Instruction Form ("**VIF**") in lieu of a proxy provided by the Company. The VIF will name the same persons as the Company's Proxy to represent your Common Shares at the Meeting. You have the right to appoint a person (who need not be a Non-Registered Shareholder of the Company), other than any of the persons designated in the VIF, to represent your Common Shares at the Meeting and that person may be you. To exercise this right, insert the name of the desired representative (which may be yourself) in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting and the appointment of any shareholder's representative. If you receive a VIF from Broadridge, the VIF must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have your Common Shares voted or to have an alternate representative duly appointed to attend the Meeting and vote your Common Shares at the Meeting.

### **Non-Objecting and Objecting Beneficial Owners**

There are two types of Non-Registered Shareholders. Non-Registered Shareholders who have not objected to their Intermediary disclosing certain ownership information about themselves to the Company are referred to as "NOBOs" or "Non-Objecting Beneficial Owners". Non-Registered Shareholders who have objected to their Intermediary disclosing the ownership information about themselves to the Company are referred to as "OBOs" or "Objecting Beneficial Owners". In accordance with National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issue* ("**NI 54-101**"), the Company has elected to send the meeting materials to the NOBOs utilizing the services of Broadridge. Please return your voting instructions as specified in the VIF delivered to you. The Company has determined not to pay the fees and costs of Intermediaries for their services in delivering the meeting materials to OBOs in accordance with NI 54-101. As a result, OBOs will not receive the meeting materials unless the OBO's Intermediary assumes the costs of delivery.

Please vote in sufficient time to allow your Intermediary to provide the proxy at least 48 hours (*excluding* Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof at which the proxy is to be used.

The Company is not relying on the notice and access delivery procedures outlined in NI 54-101 to distribute copies of the proxy related material in connection with the Meeting.

### **Revocation of Proxies**

A Registered Shareholder of the Company who has given a proxy may revoke the proxy at any time prior to use by:

- (a) depositing an instrument in writing, including another completed proxy, executed by such Registered Shareholder or by his or her attorney authorized in writing or by electronic signature or, if the Registered Shareholder is a corporation, by an officer or attorney thereof properly authorized, either: (i) at the registered and records office of the Company located at Suite 202, Yale Court Plaza, 2526 Yale Court Road,

Abbotsford, British Columbia V2S 8G9, not less than 48 hours, Saturdays, Sundays and holidays excepted, prior to the time of the holding of the Meeting or any adjournment thereof, (ii) with Computershare Investor Services Inc., Proxy Department, 8<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, not less than 48 hours, Saturdays, Sundays and holidays excepted, prior to the time of the holding of the Meeting or any adjournment thereof, or (iii) with the chairman of the Meeting on the day of the Meeting or any adjournment thereof;

- (b) transmitting, by telephone or electronic means, a revocation that complies with paragraphs (i), (ii) or (iii) above and that is signed by electronic signature, provided that the means of electronic signature permits a reliable determination that the document was created or communicated by or on behalf of such shareholder or by or on behalf of his or her attorney, as the case may be; or
- (c) in any other manner permitted by law including attending the Meeting in person.

A Non-Registered Shareholder who has submitted a form of proxy may revoke it by contacting the Intermediary through which the Non-Registered Shareholder's Common Shares are held and following the instructions of the Intermediary respecting the revocation of proxies.

A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

### Signing of Proxy

The form of proxy must be signed by the shareholder of the Company or the duly appointed attorney of the shareholder of the Company authorized in writing or, if the shareholder of the Company is a corporation, by a duly authorized officer of such corporation. A form of proxy signed by the person acting as attorney of the shareholder of the Company or in some other representative capacity, including an officer of a corporation which is a shareholder of the Company, should indicate the capacity in which such person is signing and should be accompanied by the appropriate instrument evidencing the qualification and authority to act of such person, unless such instrument has previously been filed with the Company.

A shareholder of the Company or his or her attorney may sign the form of proxy or a power of attorney authorizing the creation of a proxy by electronic signature provided that the means of electronic signature permits a reliable determination that the document was created or communicated by or on behalf of such shareholder or by or on behalf of his or her attorney, as the case may be.

## VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

### Record Date

In accordance with applicable laws, the board of directors of the Company (the "**Board**") has provided notice of and has fixed the record date as of December 22, 2017 (the "**Record Date**") for the purposes of determining shareholders entitled to receive notice of, and to vote at, the Meeting. Only shareholders of record at the close of business on the Record Date will be entitled to vote at the Meeting.

### Description of Share Capital

The Company consists of an unlimited number of Class "A" common voting shares without par value ("**Common Shares**") and an unlimited number of preferred shares. As at December 22, 2017, the Company had 19,952,773 Common Shares issued and outstanding. No preferred shares were issued and outstanding. Each Common Share carries the right to one vote.

## Ownership of Securities of the Company

To the knowledge of the directors and executive officers of the Company, the only persons or corporations that beneficially owned, directly or indirectly, or exercised control or direction over, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Company as at December 22, 2017 are:

Shareholder Name	Number of Common Shares Held	Percentage of Issued Common Shares
Markus Janser	2,833,000 <sup>(1)</sup>	14.2%
Martin Walter	2,486,500 <sup>(2)</sup>	12.5%
Eagle Star International Ltd.	1,915,700 <sup>(3)</sup>	9.6%

Notes:

- (1) Mr. Janser also holds an aggregate of 365,000 stock options consisting of: (i) 75,000 exercisable at \$0.10 per share on or before January 6, 2020; (ii) 55,000 options exercisable at \$0.50 per share on or before August 27, 2020; (iii) 60,000 stock options exercisable at \$0.10 per share on or before January 2, 2023; and (iv) 100,000 stock options exercisable at \$0.25 per share until July 27, 2020. He also holds 875,000 common share purchase warrants consisting of: (i) 800,000 common share purchase warrants exercisable at \$0.10 until November 10, 2018; and (ii) 75,000 common share purchase warrants exercisable at \$0.10 until July 18, 2019.
- (2) Mr. Walter holds an aggregate of 300,000 stock options consisting of (i) 50,000 stock options exercisable at \$0.10 per share on or before August 4, 2021; (ii) 50,000 stock options exercisable at \$0.10 per share on or before January 2, 2023; and (iii) 200,000 stock options exercisable at \$0.25 on or before July 27, 2020. In addition, he holds 1,925,000 common share purchase warrants consisting of: (i) 1,800,000 common share purchase warrants exercisable at \$0.06 per share until July 16, 2018; (ii) 75,000 common share purchase warrants exercisable at \$0.10 per share until November 10, 2018 and (iii) 50,000 common share purchase warrants exercisable at \$0.30 per share until July 18, 2019.
- (3) Eagle Star International Ltd. holds an aggregate of 1,500,000 common share purchase warrants exercisable at \$0.10 per share until November 10, 2018.

The directors and officers of the Company collectively own or control, directly or indirectly, in the aggregate, 5,844,500 Common Shares of the Company, representing approximately 29% of the outstanding Common Shares as at December 22, 2017.

## VOTES NECESSARY TO PASS RESOLUTIONS

The Articles of the Company provide that at least two persons present in person or by proxy, being a shareholder entitled to vote thereat or a duly appointed proxy holder or representative for a shareholder so entitled and holding or represented by proxy not less than 5 percent of the outstanding Common Shares of the Company entitled to vote at the Meeting, constitutes a quorum for the Meeting in respect of holders of the Common Shares. If such a quorum is not present in person or by proxy, the Company will reschedule the Meeting.

On a show of hands, every individual who is present and is entitled to vote as a shareholder or as a representative of one or more corporate shareholders, or who is holding a proxy on behalf of a shareholder who is not present at the Meeting, will have one vote, and on a poll every shareholder present in person or represented by a proxy and every person who is a representative of one or more corporate shareholders, will have one vote for each share registered in his name on the list of shareholders, which is available for inspection during normal business hours at Computershare Investor Services Inc. and will be available at the Meeting.

In order to approve a motion proposed at the Meeting a majority of greater than 50% of the votes cast will be required (an "ordinary resolution") unless the motion requires a special resolution in which case a majority of 66 2/3% of the votes cast will be required (a "special resolution"). If there are more nominees for election as directors than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected or appointed, as

the case may be, until all such vacancies have been filled. If the number of nominees for election is equal to the number of vacancies to be filled, all such nominees will be declared elected or appointed by acclamation.

### **Recommendation of the Board**

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS VOTE IN FAVOUR OF ALL RESOLUTIONS.**

### **STATEMENT OF EXECUTIVE COMPENSATION**

#### **Named Executive Officers**

For the purposes of this Information Circular, a named executive officer (“**Named Executive Officer**”) of the Company means each of the following individuals:

- (a) “CEO” means an individual who acted as chief executive officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;
- (b) “CFO” means an individual who acted as chief financial officer of the Company; or acted in a similar capacity, for any part of the most recently completed financial year;
- (c) each of the Company’s three most highly compensated executive officers, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was individually, more than \$150,000, as determined in accordance with subsection 1.3(6) of Form 51-102F6 of National Instrument 45-102 which deals with Continuous Disclosure Obligations, for that financial year; and
- (d) each individual who would be a Named Executive Officer under paragraph (c) above but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of the financial year.

During its financial year ended July 31, 2017, the following individuals were Named Executive Officers (as defined in applicable securities legislation) of the Company, namely:

- (a) Martin Walter, Chief Executive Officer, May 25, 2017 to present;
- (b) Lawrence Treadgold, Chief Executive Officer, September 1, 2011 to May 25, 2017; and
- (c) David Fynn, Chief Financial Officer, November 23, 2006 to present.

The Company has one other non-executive officer, namely Charlotte May, who is Corporate Secretary. Markus Janser is the Chairman.

#### **Compensation Discussion and Analysis**

The purpose of this Compensation Discussion and Analysis is to provide information about the Company’s executive compensation objectives and processes and to discuss compensation decisions relating to its Named Executive Officers listed in the Summary Compensation Table below.

The Company is a junior exploration company. The Company was initially engaged in the business of mineral exploration in Zambia and the Democratic Republic of Congo, Africa to locate and develop economically recoverable mineral reserves. The Company substantially discontinued operations in Africa during the 2010 year-

end and re-focused its attention on mineral exploration in the United States of America, consisting of the Excelsior Springs Gold Property located in Nevada, and a 100% interest in additional mining claims in Nevada and New Mexico.

The Company has, as of yet, no significant revenues from operations and often operates with limited financial resources to ensure that funds are available to complete scheduled programs. As a result, the Board has to consider not only the financial situation of the Company at the time of the determination of executive compensation, but also the estimated financial situation of the Company in the mid- and long-term. An important element of executive compensation is that of stock options, which do not require cash disbursement by the Company. Additional information about the Company and its operations is available at its website [www.nubianr.com](http://www.nubianr.com), and in its audited financial statements and Management's Discussion & Analysis for the year ended July 31, 2017 which are available for viewing on SEDAR ([www.sedar.com](http://www.sedar.com)).

### *Compensation Objectives and Principles*

The Company has appointed a Nomination and Remuneration Committee which is responsible for determining the compensation (including long-term incentives in the form of stock options) to be granted to the Company's executive officers and directors to ensure that such arrangements reflect the responsibilities and risk associated with each position. Management directors are required to abstain from voting in respect of their own compensation thereby providing the independent members of the Board with considerable input as to executive compensation.

The Nomination and Remuneration Committee reviews on an annual basis the corporate goals and objectives relevant to executive compensation, evaluates each executive officer's performance in light of those goals and objectives and sets the executive officer's compensation level based, in part, on this evaluation. They also take into consideration the Company's overall performance, shareholder returns and the awards given to executive officers in past years. The Committee may also take into consideration the value of similar incentive awards to executive officers at comparable junior resource companies listed on the TSX-V, however, as of the date of this Information Circular, no specific companies or selection criteria for the establishment of a benchmark group have been identified by the Board.

### *Compensation Process*

The Company relies solely on its Nomination and Remuneration Committee, through discussion without any formal objectives, criteria or analysis, in determining the compensation of its executive officers. The Committee is responsible for determining all forms of compensation, including long-term incentive in the form of stock options, to be granted to the Named Executive Officers of the Company and to the directors, and for reviewing the recommendations respecting compensation for any other officers of the Company from time to time, to ensure such arrangements reflect the responsibilities and risks associated with each position. When determining the compensation of its officers, the Board considers: i) recruiting and retaining executives critical to the success of the Company and the enhancement of shareholder value; ii) providing fair and competitive compensation; iii) balancing the interests of management and the Company's shareholders; and iv) rewarding performance, both on an individual basis and with respect to operations in general.

### *Base Salary*

Base salary is the amount of compensation paid before adding allowances, incentives or bonuses. It recognizes the contribution of employees, level of experience, education and abilities, while remaining competitive in the market place. Base salary for each employee and executive officer's position is primarily determined with regard for the employee's responsibilities, individual performance, overall corporate performance, and through the assessment of the market environment, conditions and competitiveness.

Other than the payment of \$1,500 a month to D. A. Fynn & Associates Inc., a company controlled by David Fynn, for his services as Chief Financial Officer, the Company is not party to any formal agreement or contract with any Named Executive Officer.

### *Option Based Awards*

Executive officers of the Company, as well as directors, employees and consultants, are eligible to participate in the Company's stock option plan to receive grants of stock options. The granting of stock options and the quantity of options granted is determined by the Compensation Committee and the Board as a whole, taking into account a number of factors, including the individual's position, contribution and whether such officer's long-term contribution to the Company will be crucial to the Company's long-term success.

Stock options are normally granted by the Board when an executive officer first joins the Company based on his or her level of responsibility with the Company. Additional grants may be made periodically to ensure that the number of options granted to any particular officer is commensurate with the officer's level of ongoing responsibility within the Company. The Board also evaluates the number of options an officer has been granted, the exercise price of the options and the term remaining on those options when considering further grants.

### *Risks Associated with Compensation Policies and Practices*

The Company's compensation policies and practices are intended to align management incentives with the long-term interests of the Company and its shareholders. In each case, the Company seeks an appropriate balance of risk and reward. Practices that are designed to avoid inappropriate or excessive risks include (i) financial controls that provide limits and authorities in areas such as capital and operating expenditures to mitigate risk taking that could affect compensation, (ii) balancing base salary and variable compensation elements, (iii) spreading compensation across short and long-term programs; and (iv) vesting of stock options over a period of time.

### *Financial Instruments*

The Company has adopted an Insider Trading policy that restricts investment in prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the Named Executive Officer or director.

## Summary Compensation Table

The following table contains information about the compensation paid to, or earned by, those who were during the financial year ended July 31, 2017 the Company's Named Executive Officers.

Name and principal position (a)	Year (b)	Salary (\$) (c)	Share based awards (\$) (d)	Option based awards (\$) <sup>(1)</sup> (e)	Non-equity incentive plan compensation (\$)		Pension value (\$) (g)	All other compensation (\$) (h)	Total compensation (\$) (i)
					Annual incentive plans (f1)	Long-term incentive plans (f2)			
Martin Walter <sup>(2)</sup> CEO	2017	Nil	Nil	53,014	Nil	Nil	Nil	Nil	53,014
	2016	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2015	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Lawrence Treadgold <sup>(3)</sup> Former CEO	2017	Nil	Nil	28,923	Nil	Nil	Nil	Nil	28,923
	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2015	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
David Fynn <sup>(4)</sup> CFO	2017	Nil	Nil	10,837	Nil	Nil	Nil	13,500	24,337
	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2015	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) The "grant date fair value" has been determined by using the Black-Scholes model. The Company has calculated the "grant date fair value" amounts in column (e) using the Black-Scholes model, a mathematical valuation model that ascribes a value to a stock option based on a number of factors in valuing the option-based awards, including the exercise price of the option, the price of the underlying security on the date the option was granted and assumptions with respect to the volatility of the price of the underlying security and the risk-free rate of return. The grant date fair value of the Options at the date of grant was estimated using the Black-Scholes valuation model with the following assumptions: a three to five year expected term; expected volatility of 180% to 203%; risk free interest rate of 0.67% to 0.88% per annum and a dividend yield of nil. The assumptions used in the pricing model are highly subjective and can materially affect the estimated fair value. In 2017, the Company granted a total of 525,000 Options to the Named Executive Officers exercisable at \$0.10 to \$0.25 for a period of three to five years. Calculating the value of options using this methodology is very different from a simple "in-the-money" value calculation. In fact, options that are out-of-the-money can still have a significant "grant date fair value" based on a Black-Scholes valuation, especially where, as in the case of the Company, the price of the share underlying the option is highly volatile. Accordingly, caution must be exercised in comparing grant date fair value amounts with cash compensation or an in-the-money option value calculation. The same caution applies to the total compensation amounts in column (i) above, which are based in part the grant date fair value amounts set out in column (e) above. The "grant date fair value" for the 525,000 Options granted was \$92,772 being \$0.18 per Option.
- (2) Martin Walter was appointed Chief Executive Officer on May 25, 2017.
- (3) Lawrence Treadgold was appointed Chief Executive Officer on September 1, 2011 and stepped down as Chief Executive Office on the appointment of Martin Walter.
- (4) David Fynn was appointed Chief Financial Officer on November 23, 2006.

## Incentive Plan Awards

### *Option-Based Awards and Share-Based Awards*

The following table sets out for each Named Executive Officer, the incentive stock options (option-based awards) and share-based awards, outstanding as at the financial year ended July 31, 2017.

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options <sup>(1)</sup> (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Martin Walter CEO	200,000	\$0.25	July 27, 2020	6,000	Nil	Nil	Nil
	100,000	\$0.10	October 21, 2021	18,000			
Lawrence Treadgold Former CEO	100,000	\$0.25	July 27, 2020	3,000	Nil	Nil	Nil
	50,000	\$0.10	August 27, 2020	8,000			
	60,000	\$0.10 <sup>(3)</sup>	January 2, 2023	10,800			
David Fynn CFO	75,000	\$0.10	October 21, 2021	13,500	Nil	Nil	Nil
	50,000	\$0.25	July 27, 2020	1,500			
	35,000	\$0.10 <sup>(2)</sup>	May 20, 2019	6,300			
	35,000	\$0.10 <sup>(3)</sup>	August 27, 2020	6,300			
	85,000	\$0.10	January 2, 2023	15,300			

Notes:

- (1) The value of unexercised "in-the-money options" at the financial year-end is the difference between the option exercise price and the market value of the underlying stock on the TSX-V on July 31, 2017 (\$0.28), the last day the Company's Common Shares traded on the TSX-V for the financial year ended July 31, 2017.
- (2) At an Annual General and Special Meeting held April 30, 2013 "disinterested" shareholders approved the reduction in the exercise price of these options from \$0.50 per share to \$0.10 per share and extending the expiry date to 10 years from the initial date of grant.
- (3) At an Annual General and Special Meeting held April 30, 2013 "disinterested" shareholders approved the reduction in the exercise price of these options from \$0.50 per share to \$0.10 per share.

### *Value Vested or Earned During the Year*

During the financial year ended July 31, 2016 no incentive plan awards were vested or earned by the Named Executive Officers. All stock options vest immediately upon grant.

### **Pension Plan Benefits and Deferred Compensation Plans**

There are no pension plan benefits or deferred compensation plans in place for the Named Executive Officers.

### **Termination of Employment, Change in Responsibilities and Employment Contracts**

The Company is not party to any compensatory plan, contract or arrangement where a Named Executive Officer is entitled to receive any compensation from the Company in the event of resignation, retirement or any other termination of employment of such persons, change of control of the Company of the Company, or a change in the Named Executive Officer's responsibilities following a change of control.

## Compensation of Directors

### *Compensation of Directors*

The Company does not pay its directors a salary for their services as such, except as disclosed herein in the form of director fees or grant of stock options. Directors are entitled to be reimbursed for reasonable expenditures incurred in performing their duties as directors, and the Company may, from time to time, grant incentive stock options to purchase Common Shares to its directors.

The following table sets forth information in respect of all compensation paid to, or earned by, the directors of the Company during the financial year ended July 31, 2017, but excludes compensation paid to those individuals who are Named Executive Officers in their capacity as directors of the Company as their compensation is disclosed above.

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Markus Janser	Nil	Nil	28,923	Nil	Nil	Nil	28,923
Christopher Wheatley <sup>(1)</sup>	Nil	Nil	4,833	Nil	Nil	Nil	4,833
Notes:							
(1) Christopher Wheatley resigned as a director on July 19, 2017, but remains on the Company's Technical Committee.							

*Option-Based and Share-based Awards to Directors*

The following table sets out for each director, other than the directors who are also Named Executive Officers, the incentive stock options (option-based awards) and share-based awards, outstanding as at the financial year ended July 31, 2017.

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options <sup>(1)</sup> (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Markus Janser	100,000	\$0.25	July 27, 2020	3,000	Nil	Nil	Nil
	75,000	\$0.10	October 21, 2021	13,500			
	75,000	\$0.10 <sup>(2)</sup>	January 6, 2020	13,500			
	55,000	\$0.10 <sup>(3)</sup>	August 27, 2020	9,900			
	60,000	\$0.10	January 2, 2023	10,800			
Christopher Wheatley	50,000	\$0.10	October 21, 2021	9,000	Nil	Nil	Nil
	50,000	\$0.10 <sup>(3)</sup>	August 4, 2021	9,000			
	50,000	\$0.10	January 2, 2023	9,000			

Notes:

- (1) The value of unexercised "in-the-money options" at the financial year-end is the difference between the option exercise price and the market value of the underlying stock on the TSX-V on July 31, 2017 (\$0.28).
- (2) At an Annual General and Special Meeting held April 30, 2013 "disinterested" shareholders approved the reduction in the exercise price of these options from \$0.50 per share to \$0.10 per share and extending the expiry date to 10 years from the initial date of grant.
- (3) At an Annual General and Special Meeting held April 30, 2013 "disinterested" shareholders approved the reduction in the exercise price of these options from \$0.50 per share to \$0.10 per share.

*Value Vested or Earned During the Year*

During the financial year ended July 31, 2017, 100,000 options were granted and vested to independent directors.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

### Equity Compensation Plan Information

The following table provides information regarding compensation plans under which securities of the Company are authorized for issuance in effect as at the financial year ended July 31, 2017.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	1,705,000	\$0.17	280,277
Equity compensation plans not approved by securityholders	Nil	N/A	N/A
Total	1,705,000	\$0.17	280,277
Notes:			
(1) Calculated based on 10% of the issued and outstanding share capital as at July 31, 2017 of 19,852,773 (being 1,985,277) less the number of options outstanding of 1,705,000. The stock options are governed by the Plan, as more particularly described below.			

## CORPORATE GOVERNANCE DISCLOSURE

### General

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day to day management of the Company. The Board and senior management consider good corporate governance to be central to the effective and efficient operation of the Company.

National Policy 58-201 *Corporate Governance Guidelines* ("NP 58-201") establishes corporate governance guidelines that apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted.

National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("NI 58-101") also requires the Company to disclose annually in its Information Circular certain information concerning its corporate governance practices. As a "venture issuer" the Company is required to make such disclosure with reference to the requirements of Form 58-101F2, which disclosure is set forth below.

### Board of Directors

During the financial year ended July 31, 2017 the Board was comprised of four directors, namely: David Fynn, Markus Janser, Lawrence Treadgold and Martin Walter. NP 58-201 suggests that the board of directors of every listed company should be constituted with a majority of individuals who qualify as "independent" directors under

National Instrument 52-110, which provides that a director is independent if he or she has no direct or indirect "material relationship" with the company. "Material relationship" is defined as a relationship which could, in the view of the Company's Board, be reasonably expected to interfere with the exercise of a director's independent judgment.

Of the current directors, David Fynn and Martin Walter are "inside" or management directors in that they are officers of the Company and accordingly are considered not "independent". Markus Janser and Lawrence Treadgold are considered to be "independent" directors of the Company.

During the financial year ended July 31, 2017 the Board as a whole was specifically responsible for approving long-term strategic plans and annual operating plans and budgets recommended by management. Board consideration and approval is also required for all material contracts, business transactions and all debt and equity financing proposals. The Board also takes responsibility for identifying the principal risks of the Company's business and for ensuring these risks are effectively monitored and mitigated to the extent reasonably practicable. In keeping with its overall responsibility for the stewardship of the Company, the Board is also responsible for the integrity of the Company's internal controls and management information systems and for the Company's policies respecting corporate disclosure and communications.

The Board delegates to management, through the Chief Executive Officer, responsibility for meeting defined corporate objectives, implementing approved strategic and operating plans, carrying on the Company's business in the ordinary course, managing the Company's cash flow, evaluating new business opportunities, recruiting staff and complying with applicable regulatory requirements. The Board also looks to management to furnish recommendations respecting corporate objectives, long-term strategic plans and annual operating plans.

The Board's Chair is independent. He acts in an advisory capacity to the Chief Executive Officer and to other officers in matters concerning the interests of the Company and the Board and relationships between management and the Board. The non-management directors exercise their responsibilities for independent oversight of management, and are provided with leadership through their position on the Board and ability to meet independently of management whenever deemed necessary. In addition, each member of the Board understands that he is entitled to seek the advice of an independent expert if he reasonably considers it warranted under the circumstances.

## **Directorships**

As of the date of this Circular, none of the directors of the Company are directors and/or officers of other reporting issuers (or equivalent) in a Canadian jurisdiction or a foreign jurisdiction.

## **Mandate of the Board**

The mandate of the Board, as prescribed by the *Business Corporations Act* (British Columbia), is to manage or supervise the management of the business and affairs of the Company and to act with a view to the best interests of the Company. In doing so, the Board oversees the management of the Company's affairs directly and through its committees (see "Other Board Committees" below). In fulfilling its mandate, the Board, among other matters, is responsible for reviewing and approving the Company's overall business strategies and its annual business plan, reviewing and approving the annual corporate budget and forecast, reviewing and approving significant capital investments outside the approved budget; reviewing major strategic initiatives to ensure that the Company's proposed actions accord with shareholder objectives; reviewing succession planning; assessing management's performance against approved business plans and industry standards; reviewing and approving the reports and other disclosure issued to shareholders; ensuring the effective operation of the Board; and safeguarding shareholders' equity interests through the optimum utilization of the Company's capital resources. Board consideration and approval is also required for all material contracts, business transactions and all debt and equity

financing proposals. The Board also takes responsibility for identifying the principal risks of the Company's business and for ensuring these risks are effectively monitored and mitigated to the extent reasonably practicable. At this stage of the Company's development, the Board does not believe it is necessary to adopt a written mandate, as sufficient guidance is found in the applicable corporate and securities legislation and regulatory policies. However, as the Company grows, the Board will move to develop a formal written mandate.

The Board is not, however, involved in the day to day operations of the Company. Such operations are delegated to the Company's management, more specifically the Chief Executive Officer and the Chief Financial Officer. Specifically, the Board delegates to management responsibility for meeting defined corporate objectives, implementing approved strategic and operating plans, carrying on the Company's business in the ordinary course, managing the Company's cash flow, evaluating new business opportunities, recruiting staff and complying with applicable regulatory requirements. The Board also looks to management to furnish recommendations respecting corporate objectives, long-term strategic plans and annual operating plans.

Each member of the Board understands that he is entitled to seek the advice of an independent expert if he reasonably considers it warranted under the circumstances.

### **Orientation and Continuing Education**

When new directors are appointed, they receive orientation, commensurate with their previous experience, on the Company's business and on director responsibilities. Board members are encouraged to communicate with management, auditors and technical consultants; to keep themselves current with industry trends and developments and changes in legislation with management's assistance, and to attend related industry seminars and visit the Company's operations.

### **Ethical Business Conduct**

The Board has not adopted a formal written code of ethics. The Board expects that fiduciary duties placed on individual directors by the *British Columbia* Business Corporations Act and the common law, as well as provisions under corporate legislation for required disclosures by directors and senior officers to the Company of transactions with the Company in which they may have an interest and of any other conflicts of duties and interests, are sufficient to ensure that these persons conduct themselves in the best interests of the Company.

### **Nomination of Directors**

The Nomination and Remuneration Committee is responsible for identifying individuals qualified to become new Board members and recommending to the Board new director nominees for the next annual general meeting of shareholders. New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the time required, and a willingness to serve.

### **Compensation**

The Company has a Nomination and Remuneration Committee which has the responsibility of determining the compensation for the Chief Executive Officer and the Chief Financial Officer and for determining compensation for directors and senior management having regard to, among other things, the responsibilities and risks associated with each executive officer's and director's position, the Company's overall performance and shareholder returns.

None of the non-executive Directors of the Company are paid any fees for their services, however the Company may from time to time, grant options to purchase Common Shares. In addition, non-executive Directors of the Company are entitled to receive compensation to the extent that they provide services (other than in their

capacity as a Director) to the Company at rates that would be charged by such Directors for such services to arm's length parties.

### Meeting Attendance

As Board members reside in many different geographic locations, a director is considered in attendance regardless of whether they attend meetings by conference or in person. Members of the Audit Committee are required to meet, either in person or by telephone, at year-end Audit Committee meetings with the independent auditor of the Company. The table below details the attendance of Board members at director and committee meetings during the financial year ended July 31, 2017.

Director	Board (3 Meetings)	Audit (2 Meetings)	Remuneration (2 Meetings)	Technical (3 Meetings)
Lawrence Treadgold	3 / 3	2 / 2	2 / 2	3 / 3
Markus Janser	3 / 3	2 / 2	2 / 2	2 / 3
David Fynn	3 / 3	1 / 2	N/A	N/A
Martin Walter	1 / 2	N/A	1 / 1	1 / 1
Christopher Wheatley	2 / 2	1 / 2	1 / 2	3 / 3

### Other Board Committees

The Company has three committees, namely:

- (1) an Audit Committee, consisting of Markus Janser and Lawrence Treadgold, of which Markus Janser is Chair. Markus Janser and Lawrence Treadgold are both independent members;
- (2) a Nomination and Remuneration Committee, consisting of Markus Janser, Lawrence Treadgold and Martin Walter, of which Markus Janser is Chair. Markus Janser and Lawrence Treadgold are independent members; and
- (3) a Technical Committee consisting of Ashley Martin (consultant), Lawrence Treadgold, Martin Walter and Christopher Wheatley, of which Lawrence Treadgold is Chair. Lawrence Treadgold is an independent member.

### Assessments

The Board monitors the adequacy of information provided to directors, communication between the Board and management and the strategic direction and processes of the Board and committees.

## AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

National Instrument 52-110 (NI 52-110) requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditors, as set forth in the following:

### Composition of the Audit Committee

The Committee shall be comprised of three directors as determined by the Board, the majority of whom shall be free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Committee. At least one member of the Committee shall have

accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company's Charter, the definition of "financially literate" is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company's financial statements.

The members of the Committee shall be elected by the Board at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

The Audit Committee comprises Markus Janser and Lawrence Treadgold, both of whom are deemed to be "independent" as that term is defined under *National Instrument 52-110*.

All members of the Audit Committee are "financially literate" as that term is defined in *National Instrument 52-110*.

### **The Audit Committee's Charter**

The Company adopted a charter (the "**Charter**") of the Audit Committee, a copy of which was filed on July 28, 2009 and may be viewed through the Internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at [www.sedar.com](http://www.sedar.com).

### **Relevant Education and Experience**

#### *Markus Janser, MCom - Chairman*

Mr. Janser has over 20 years of experience as a business consultant and manager in private and offshore banking. During his career he headed up international desks for a multinational bank in London, Zurich and Johannesburg, was founding partner of a private equity fund, a private asset management company, a retail clothing company and property development company. He has developed and implemented trading strategies for derivatives instruments, set-up and executed distribution and co-operation agreements with multinational companies and started venture companies and brought them into profitability. His experience covers on- and offshore private banking, private and institutional asset management, trading, compliance and financial regulations, project management and strategic development. He graduated with a MCom from University of Fribourg in Switzerland in 1994.

#### *Lawrence Treadgold, B.Sc. (Honours), C.Eng. MTMS*

Mr. Treadgold has over 40 years' experience as an extractive metallurgist and senior manager in gold and copper assets world-wide. Mr. Treadgold served as Chief Executive Officer of the Company from September 1, 2011 through May 25, 2017, is the chair of the Company's Technical Committee and a member of the Company's Audit Committee. During his career he has developed both green-field and brown-field sites and brought them to optimum capacity and profitability. His early career was spent in Africa on the Zambian Copper-belt where he became Superintendent of Ndola Copper Refineries and precious metals plant. He later joined Noranda Minerals Inc., where, as President of their precious metal subsidiary, he was responsible for the management of operations, engineering and technical developments of precious metal activities in the United States and Asia. Since 2005, Mr. Treadgold has directed metallurgy for the Luanshya and Chambeshi copper operations in Zambia and successfully assisted taking the Nikanor, KOV development to the market raising £400 million. He has also provided metallurgical and environmental consulting services to gold and copper mining operations in the United States, Africa and elsewhere.

## Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

## Pre-Approval Policies and Procedures

All services to be performed by the Company's independent auditor must be approved in advance by the Audit Committee. The Audit Committee has considered whether the provision of services other than audit services is compatible with maintaining the auditors' independence and has adopted a policy governing the provision of these services. This policy requires the pre-approval by the Audit Committee of all audit and non-audit services provided by the external auditor, other than any de minimus non-audit services allowed by applicable law or regulation.

## Exemption

As a "venture issuer" as defined in NI 52-110, the Audit Committee of the Company relies on the exemption set forth in section 6.1 of NI 52-110 with respect to Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

## External Auditor Service Fees

The Audit Committee has reviewed the nature and amount of the non-audited services provided by Morgan & Company LLP, Chartered Accountants, to the Company to ensure auditor independence. Fees incurred for audit and non-audit services in the last two financial years for audit fees are outlined in the following table:

Nature of Services	Fees Paid to Auditor in Year Ended	
	July 31, 2017 \$	July 31, 2016 \$
Audit Fees <sup>(1)</sup>	12,600	12,000
Audit-Related Fees <sup>(2)</sup>	-	-
Tax Fees <sup>(3)</sup>	1,250	1,400
All Other Fees <sup>(4)</sup>	-	-
<b>Total</b>	<b>13,850</b>	<b>13,400</b>

### Notes:

- (1) "Audit Fees" include fees necessary to perform the annual audit of the Company's consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) "Audit-Related Fees" include services that a traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) "All Other Fees" include all other non-audit services.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

An “informed person” means: (a) a director or executive officer of the Company; (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company; (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company or a combination of both carrying more than 10% of the voting rights other than voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Company itself, if and for so long as it has purchased, redeemed or otherwise acquired any of its shares.

To the knowledge of management of the Company, no informed person or nominee for election as a director of the Company or any associate or affiliate of any informed person or proposed director had any interest in any transaction which has materially affected or would materially affect the Company or any of its subsidiaries during the year ended July 31, 2017, or has any interest in any material transaction in the current year other than as set out herein:

- (1) On July 15, 2016, the Company closed a non-brokered private placement consisting of 6,000,000 units in the capital of the Company to raise gross proceeds of \$300,000. Each unit consisted of one Common Share and one share purchase warrant, each warrant entitling the holder the right to purchase one additional Common Share in the capital of the Company on or before July 15, 2018 at an exercise price of \$0.06 per share. Martin Walter subscribed for 1,800,000 units in the private placement.
- (2) On November 10, 2016, the Company closed a non-brokered private placement consisting of 1,600,000 units in the capital of the Company to raise gross proceeds of \$120,000. Each unit consisted of one Common Share and one share purchase warrant, each warrant entitling the holder the right to purchase one additional Common Share in the capital of the Company on or before November 10, 2018 at an exercise price of \$0.10 per share. Markus Janser and Martin Walter subscribed for 800,000 units and 75,000 units, respectively in the private placement.
- (3) On July 18, 2017, the Company closed a non-brokered private placement consisting of 2,075,000 units in the capital of the Company to raise gross proceeds of \$415,000. Each unit consisted of one Common Share and one-half share purchase warrant, each warrant entitling the holder the right to purchase one additional Common Share in the capital of the Company on or before July 18, 2019 at an exercise price of \$0.30 per share. Markus Janser and Martin Walter subscribed for 150,000 units and 100,000 units, respectively in the private placement.

## INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

No director or executive officer of the Company, or any person who has held such a position since the beginning of the last completed financial year end of the Company, nor any nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting except as disclosed in this Information Circular.

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director, executive officer, employee or former director, executive officer or employee of the Company was indebted to the Company as at the date hereof or at any time during the most recently completed financial year of the Company. None of the proposed nominees for election as a director of the Company, or any associate or affiliate of any director, executive officer or proposed nominee, was indebted to the Company as at the date hereof or at any time during the most recently completed financial year.

The Company has not provided any guarantees, support agreements, letters of credit or other similar arrangement or understanding for any indebtedness of any of the Company's directors, executive officers, proposed nominees for election as a director, or associates or affiliates of any of the foregoing individuals as at the date hereof or at any time during the most recently completed financial year of the Company.

## **PARTICULARS OF MATTERS TO BE ACTED UPON**

### **Item 1 – Presentation of Financial Statements**

At the Meeting, the Chairman of the Meeting will present to shareholders the financial statements of the Company for the year ended July 31, 2017 and the auditors' report thereon.

### **Item 2 – Election of Directors**

#### **(a) Setting Number of Directors**

At the Meeting, shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company for the ensuing year at four. The number of directors will be approved if the affirmative vote of the majority of Common Shares present or represented by proxy at the Meeting and entitled to vote are voted in favour of setting the number of directors at four.

**MANAGEMENT RECOMMENDS THE APPROVAL OF THE RESOLUTION TO SET THE NUMBER OF DIRECTORS OF THE COMPANY AT FOUR. IN ORDER TO BE PASSED, A MAJORITY OF THE VOTES CAST AT THE MEETING IN PERSON OR BY PROXY MUST BE VOTED IN FAVOUR OF THE RESOLUTION. IN THE ABSENCE OF CONTRARY INSTRUCTIONS, THE PERSONS NAMED IN THE ACCOMPANYING FORM OF PROXY INTEND TO VOTE ANY COMMON SHARES REPRESENTED BY PROXIES HELD BY THEM IN FAVOUR OF THE RESOLUTION SETTING THE NUMBER OF DIRECTORS AT FOUR.**

#### **(b) Election of Directors**

The term of office of each of the current directors will end at the conclusion of the Meeting. Unless the director's office is earlier vacated in accordance with the provisions of the British Columbia *Business Corporations Act* or the Articles of the Company, each director elected will hold office until the conclusion of the next annual general meeting of the Company, or, if no director is then elected, until a successor is elected.

Management does not contemplate that any of the nominees will be unable to serve as a director. In the event that prior to the Meeting any vacancies occur in the slate of nominees herein listed, it is intended that discretionary authority shall be exercised by the person named in the proxy as nominee to vote the Common Shares represented by proxy for the election of any other person or persons as directors.

The following table sets out the names of management's nominees for election as directors, all major offices and positions with the Company and any of its significant affiliates each now holds, each nominee's principal occupation, business or employment for the five preceding years, the period of time during which each has been a Director of the Company and the number of Common Shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at the date hereof.

Name, Province or State and Country of Residence, and Current Position with the Company	Occupation, Business or Employment <sup>(1)</sup>	Director of Company Since	Common Shares Beneficially Owned, Directly or Indirectly, or Over Which Control or Direction is Exercised <sup>(1)(2)</sup>
Markus Janser <sup>(7)(8)</sup> Gurmels, Switzerland	Chairman of the Company since January 11, 2011; Self-employed businessman with expertise in financial services, asset management and private banking.	December 22, 2009	2,883,000 <sup>(3)</sup>
David Fynn, CPA, CA Abbotsford, Canada	Chief Financial Officer of the Company since November 23, 2006; Chartered Professional Accountant and principal of D.A. Fynn & Associates Inc., a private accounting firm.	October 31, 2007	Nil <sup>(4)</sup>
Lawrence Treadgold <sup>(7)(8)(9)</sup> Taipei, Taiwan	Current director of the Company; former Chief Executive Officer from September 1, 2011 to May 25, 2017; Self-employed metallurgist; Director of Metallurgy, BSG Resources, 2005 to 2007.	August 26, 2010	525,000 <sup>(5)</sup>
Martin Walter <sup>(8)(9)</sup> Toronto, Canada	Current Chief Executive Officer of the Company since May 25, 2017; former President, Chief Executive Officer and Director, Forrester Metals Inc. (formerly Vena Resources Inc.) from September 2014 to June 2017 when it was acquired by Zinc One Resources Inc.; former President, Chief Executive Officer and Director, Treasury Metals Inc. from 2010 to June 2016; co-founder and former Director, Crown Point Ventures Ltd. from December 2006 to April 2012; former Executive Vice President, Aquiline Resources Inc. until December 2009 when it was sold to Pan American Silver; former President, Chief Executive Officer and Director of Sierra Minerals Inc. from 2004 to 2008.	May 25, 2017	2,486,500 <sup>(6)</sup>
<p>Notes:</p> <p>(1) The information as to principal occupation, business or employment and Common Shares beneficially owned or controlled is not within the knowledge of the management of the Company and has been furnished by the respective nominees. Each nominee has held the same or a similar principal occupation with the organization indicated or a predecessor thereof for the last five years unless otherwise indicated.</p> <p>(2) The number of Common Shares beneficially owned by the above nominees for directors, directly or indirectly, is based on information furnished by insider reports filed on SEDI and by the nominees themselves.</p> <p>(3) Mr. Janser also holds an aggregate of 365,000 stock options consisting of: (i) 75,000 exercisable at \$0.10 per share on or before January 6, 2020; (ii) 55,000 options exercisable at \$0.50 per share on or before August 27, 2020; (iii) 60,000 stock options exercisable at \$0.10 per share on or before January 2, 2023; and (iv) 100,000 stock options exercisable at \$0.25 per share until July 27, 2020. He also holds 875,000 common share purchase warrants consisting of: (i) 800,000 common</p>			

Name, Province or State and Country of Residence, and Current Position with the Company	Occupation, Business or Employment <sup>(1)</sup>	Director of Company Since	Common Shares Beneficially Owned, Directly or Indirectly, or Over Which Control or Direction is Exercised <sup>(1)(2)</sup>
<p>(4) Mr. Fynn also holds an aggregate of 205,000 stock options consisting of: (i) 35,000 options exercisable at \$0.10 per share on or before May 20, 2019; (ii) 35,000 stock options exercisable at \$0.10 per share on or before August 27, 2020; (iii) 85,000 stock options exercisable at \$0.10 per share on or before January 2, 2023; and (iv) 50,000 stock options exercisable at \$0.25 per share on or before July 27, 2020.</p> <p>(5) Mr. Treadgold also holds an aggregate of 285,000 stock options consisting of: (i) 50,000 stock options exercisable at \$0.10 per share on or before August 27, 2020; (ii) 60,000 stock options exercisable at \$0.10 per share on or before January 2, 2023; and (iii) 100,000 stock options exercisable at \$0.25 per share on or before July 27, 2020.</p> <p>(6) Mr. Walter holds an aggregate of 300,000 stock options consisting of (i) 50,000 stock options exercisable at \$0.10 per share on or before August 4, 2021; (ii) 50,000 stock options exercisable at \$0.10 per share on or before January 2, 2023; and (iii) 200,000 stock options exercisable at \$0.25 on or before July 27, 2020. In addition, he holds 1,925,000 common share purchase warrants consisting of: (i) 1,800,000 common share purchase warrants exercisable at \$0.06 per share until July 16, 2018; (ii) 75,000 common share purchase warrants exercisable at \$0.10 per share until November 10, 2018 and (iii) 50,000 common share purchase warrants exercisable at \$0.30 per share until July 18, 2019.</p> <p>(7) Member of Audit Committee.</p> <p>(8) Member of Nomination and Remuneration Committee.</p> <p>(9) Member of Technical Committee.</p>	<p>share purchase warrants exercisable at \$0.10 until November 10, 2018; and (ii) 75,000 common share purchase warrants exercisable at \$0.10 until July 18, 2019. He also holds \$25,000 in unsecured promissory notes bearing interest at 10%.</p>		

None of the proposed nominees for election as a director of the Company are proposed for election pursuant to any arrangement or understanding between the nominee and any other person, except the directors and senior officers of the Company acting solely in such capacity.

### *Biographies*

#### **Markus Janser, MCom**

##### **Chairman, Chair, Audit Committee and Nomination and Remuneration Committee**

Mr. Janser has over 20 years of experience as a business consultant and manager in private and offshore banking. During his career he headed up international desks for a multinational bank in London, Zurich and Johannesburg, was founding partner of a private equity fund, a private asset management company, a retail clothing company and property development company. He has developed and implemented trading strategies for derivatives instruments, set-up and executed distribution and co-operation agreements with multinational companies and started venture companies and brought them into profitability. His experience covers on- and offshore private banking, private and institutional asset management, trading, compliance and financial regulations, project management and strategic development. He graduated with a MCom from University of Fribourg in Switzerland in 1994.

#### **David Fynn, CA**

##### **Chief Financial Officer and Director**

Mr. Fynn is the Company's Chief Financial Officer, responsible for overseeing the financial and reporting functions of the Company, and undertakes liaison with lawyers, bankers, auditors and regulatory authorities in the countries the Company has assets. He received his chartered accountancy designation in 1981 with the Institute of

Chartered Accountants of England & Wales, after articling with Ernst & Young, and worked as a senior manager with KPMG in Canada and Ernst & Young in the United Kingdom and Saudi Arabia. Since 1996 he has been the principal of D.A. Fynn & Associates Inc., an accounting firm and since 2006 he has been associated with Nubian Resources and its predecessor company. Mr. Fynn has been a member of the Canadian Institute of Chartered Accountants and services individuals/companies in many sectors including mining and commodities in his private practice.

**Lawrence G. Treadgold, B.Sc. (Hons), C.Eng, FIMMM**  
**Director, Member, Audit Committee, Chairman, Technical Committee**

Mr. Treadgold has over 40 years' experience as an extractive metallurgist and senior manager in gold and copper assets world-wide. During his career he has developed both green-field and brown-field sites and brought them to optimum capacity and profitability. His early career was spent in Africa on the Zambian Copper-belt where he became Superintendent of Ndola Copper Refineries and precious metals plant. He later joined Noranda Minerals Inc., where, as President of their precious metal subsidiary, he was responsible for the management of operations, engineering and technical developments of precious metal activities in the United States and Asia. Since 2005, Mr. Treadgold has directed metallurgy for the Luanshya and Chambeshi copper operations in Zambia and successfully assisted taking the Nikanor, KOV development to the market raising £400 million. He has also provided metallurgical and environmental consulting services to gold and copper mining operations in the United States, Africa and elsewhere. Mr. Treadgold also chairs the Technical Committee and sits on the Nomination and Remuneration Committee.

**Martin Walter**  
**Director, Member, Nomination and Remuneration Committee and Technical Committee**

Mr. Walter 20 years of extensive mine geology operational experience in open pit gold mining and on precious metal projects worldwide. He has served as a director and has led a number of junior mining companies listed on the Toronto Stock Exchange and the TSX-V including Forrester Resources Corp. (formerly Vena Resources Inc.), Treasury Metals Inc., Absolut Resources Inc., Sierra Minerals Inc., Aquiline Resources Inc., St. Andrew Goldfields Ltd., Crown Point Energy Inc. and Amarillo Gold Corp. Mr. Walter holds a BSc. Degree in Geology from the University of Ballarat, Australia and an MBA from the University of Toronto.

*Corporate Cease Trade Orders and Bankruptcies*

Except as outlined below, no proposed director (including any personal holding company of a proposed director):

- (a) is, as at the date of this Information Circular, or has been, within the preceding 10 years, a director, chief executive officer or chief financial officer of any company (including the Company) that
  - (i) was the subject of a cease trade or similar order (including a management cease trade order whether or not such person was named in the order) or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, (an "Order") while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- A. Martin Walter was a senior officer and director of Vena Resources Inc. ("Vena") when a cease trade order was made on April 5, 2016 by the Ontario Securities Commission ("OSC") and on April 8, 2016 by the British Columbia Securities Commission ("BCSC") as a result of the failure of Vena to file its annual continuous disclosure documents for the year ended December 31, 2015 and its first quarter interim financial statements and management's discussion and analysis for the period ended March 31, 2016. These

cease trade orders were subsequently revoked on June 6, 2016 by the OSC and the BCSC following the filing of the documents as required.

- B. Martin Walter was a senior officer and director of Sierra Minerals Inc. ("Sierra") when a management cease trade order was made on April 4, 2007 by the Ontario Securities Commission ("OSC") and on April 15, 2007 by the British Columbia Securities Commission ("BCSC") as a result of the failure of Sierra to file and deliver to shareholders its annual financial statements for the year ended December 31, 2006 and its first quarter interim financial statements for the period ended March 31, 2007. These management cease trade orders were subsequently revoked on June 28, 2007 by the OSC and on June 29, 2007 by the BCSC following the filing of the financial statements as required.
- (ii) was subject to an Order that was issued after the proposed director ceased to be a director, executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director chief executive officer or chief financial officer;
- (b) is, as at the date of this Information Circular, or has been, within the preceding 10 years, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
  - (c) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director; or
  - (d) has been subject to:
    - (i) since December 31, 2000, any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or before December 31, 2000, the disclosure of which would likely be important to a reasonable securityholder in deciding whether to vote for a proposed director;
    - (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

**MANAGEMENT RECOMMENDS THAT THE SHAREHOLDERS VOTE IN FAVOUR OF THE ABOVE LISTED NOMINEES.**

**IN ORDER TO BE PASSED, A MAJORITY OF THE VOTES CAST AT THE MEETING IN PERSON OR BY PROXY MUST BE VOTED IN FAVOUR OF THE RESOLUTION. MANAGEMENT HAS NO REASON TO BELIEVE THAT ANY OF THE NOMINEES WILL BE UNABLE TO SERVE AS A DIRECTOR BUT, IF A NOMINEE IS FOR ANY REASON UNAVAILABLE TO SERVE AS A DIRECTOR, PROXIES IN FAVOUR OF MANAGEMENT MAY BE VOTED FOR A SUBSTITUTE NOMINEE UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT THE COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT OF THE ELECTION OF DIRECTORS.**

### Item 3 – Appointment of Auditors

Morgan & Company LLP, Chartered Accountants, of Suite 1488 – 700 West Georgia Street, Vancouver, British Columbia, have been auditors of the Company since 2006. Prior to that date the Company was a private company. Effective July 1, 2014 the Company's auditors, Morgan LLP, separated into two separate firms, namely Morgan & Company LLP and Sadovnick Morgan LLP. Management proposes that Morgan & Company LLP, Chartered Accountants, be re-appointed auditors of the Company for the ensuing year, until the close of the next annual general meeting of the shareholders, at a remuneration to be fixed by the directors.

**MANAGEMENT RECOMMENDS THAT THE SHAREHOLDERS VOTE IN FAVOUR OF THE RE-APPOINTMENT OF MORGAN & COMPANY LLP, CHARTERED ACCOUNTANTS. IN ORDER TO BE PASSED, A MAJORITY OF THE VOTES CAST AT THE MEETING IN PERSON OR BY PROXY MUST BE VOTED IN FAVOUR OF THE RESOLUTION. IN THE ABSENCE OF CONTRARY INSTRUCTIONS, THE PERSONS NAMED IN THE ACCOMPANYING FORM OF PROXY INTEND TO VOTE ANY COMMON SHARES REPRESENTED BY PROXIES HELD BY THEM IN FAVOUR OF THE RESOLUTION APPOINTING MORGAN & COMPANY LLP, CHARTERED ACCOUNTANTS, AUDITORS OF THE COMPANY FOR THE ENSUING YEAR AT A REMUNERATION TO BE FIXED BY THE DIRECTORS.**

### Item 4 – Approval of Stock Option Plan

On June 10, 2014 the Board adopted a "rolling" stock option plan (the "Plan"), whereby a maximum of 10% of the issued Common Shares of the Company may be reserved for issuance pursuant to the exercise of stock options. The Plan provides for a floating maximum limit of 10% of the issued and outstanding Common Shares of the Company (subject to standard anti-dilution adjustments), as permitted by the policies of the TSX-V. As at the date of this Information Circular, the Company is eligible to grant up to 1,995,277 options under its Plan. There are presently 1,705,000 options outstanding and 290,277 options available for issuance under the Plan.

The purpose of the Plan is to provide certain directors, officers and key employees of, and certain other persons who provide services to the Company and any subsidiaries with an opportunity to purchase Common Shares of the Company and benefit from any appreciation in the value of the Company's Common Shares. This will provide an increased incentive for these individuals to contribute to the future success and prosperity of the Company, thus enhancing the value of the Common Shares for the benefit of all the shareholders and increasing the ability of the Company and its subsidiaries to attract and retain skilled and motivated individuals in the service of the Company.

The material terms of the Plan are as follows:

- (1) the Plan is administered by the Board or a committee of the Board duly appointed for this purpose and consisting of not less than three directors;
- (2) the Board may determine the time during which any stock options may vest and the method of vesting or that no vesting restriction shall exist except for stock options granted to persons performing Investor Relations Activities, which will vest in stages over 12 months with no more than one-quarter of the stock options vesting in any three-month period;
- (3) the exercise price of any stock options granted under the Plan will be determined by the Board, in its sole discretion, but shall not be less than the closing price of the Company's Common Shares on the day preceding the day on which the directors grant such stock options, less any discount permitted by the TSX-V, subject to a minimum of \$0.05 per share;
- (4) where the exercise price of the stock option is based on a discounted market price, a four month hold period will apply to all Common Shares issued under each option, commencing from the date of grant;

stock option grants to directors and officers, regardless of the exercise price, are subject to an initial hold period of four months from the date of grant;

- (5) stock options are non-assignable and non-transferable except that they will be exercisable by the personal representative of the option holder in the event of the option holder's death;
- (6) stock options may be exercisable for a maximum of ten years from the date of grant (subject to extension where the expiry date falls within a "blackout period", as disclosed below);
- (7) the aggregate number of stock options granted to any one option holder (including companies wholly owned by that Optionee) in a 12-month period must not exceed 5% of the issued shares of the Company, calculated on the date a stock option is granted to the Optionee;
- (8) the aggregate number of stock options granted to any one consultant in a 12-month period must not exceed 2% of the issued shares of the Company, calculated at the date a stock option is granted to the consultant;
- (9) the aggregate number of stock options granted to all persons retained to provide Investor Relations Activities (as defined in TSX-V Policy 1.1) must not exceed 2% of the issued shares of the Company in any 12-month period, calculated at the date a stock option is granted to any such Optionee;
- (10) at no time will stock options be issued which could permit at any time the aggregate number of shares reserved for issuance under stock options granted to insiders (as a group) at any point in time exceeding 10% of the issued shares of the Company;
- (11) at no time will stock options be issued which could permit at any time the grant to insiders (as a group), within a 12-month period, of an aggregate number of options exceeding 10% of the issued shares of the Company calculated at the date a stock option is granted to any insider;
- (12) stock options held by an Optionee who is a director, employee, consultant or management company employee must expire within one year after the option holder ceases to be a director, employee, consultant or management company employee, which time period the Company will determine as reasonable. Stock options will expire immediately in the event an Optionee is dismissed from employment or service for cause, such Optionee's stock options, whether or not vested at the date of dismissal will immediately terminate without right to exercise same;
- (13) stock options held by an Optionee who is engaged in Investor Relations Activities must expire within 30 days after the Optionee ceases to be employed by the Company to provide Investor Relations Activities;
- (14) in the event of an Optionee's death, the option holder's personal representative may exercise any portion of the Optionee's vested outstanding options for a period of one year following the option holder's death;
- (15) stock options cannot be granted to directors, employees, consultants or management company employees that are not bona fide directors, employees, consultants or management company employees, as the case may be; and
- (16) stock options will be reclassified in the event of any consolidation, subdivision, conversion or exchange of the Company's Common Shares.

Should the expiry date for a stock option fall within a Blackout Period of the Company (as such time period may be determined by the Board where one or more Optionee may not trade any securities of the Company because they

may be in possession of undisclosed material information pertaining to the Company), or within nine (9) business days following the expiration of a Blackout Period, such expiry date shall, subject to approval of the TSX-V, be automatically extended without any further act or formality to that day which is the tenth (10<sup>th</sup>) business day after the end of the Blackout Period, such tenth business day to be considered the expiry date for such stock option for all purposes under the Plan.

Disinterested shareholder approval must be obtained for (i) any reduction in the exercise price of an outstanding option, if the Optionee is an insider of the Company at the time of the proposed amendment; (ii) any grant of options to insiders, within a 12-month period, exceeding 10% of the Company's issued Common Shares; and (iii) any grant of options to any one individual, within a 12-month period, exceeding 5% of the Company's issued Common Shares.

The TSX-V requires listed companies that have "rolling" stock option plans in place to receive shareholder approval of such plans on a yearly basis at the Company's annual general meeting.

### *Shareholder Approval*

Shareholders will be asked at the Meeting to approve, with or without variation, the following resolution:

"BE IT RESOLVED that the Company's Stock Option Plan, as described in the Company's Information Circular dated December 22, 2017 be and is hereby ratified and approved, subject to regulatory approval, and that in connection therewith a maximum of 10% of the issued and outstanding Common Shares at the time of each grant be and are hereby approved for granting as options and that the Board be hereby authorized, without further shareholder approval, to make such changes to the Plan as may be required or approved by regulatory authorities."

**MANAGEMENT RECOMMENDS THAT SHAREHOLDERS APPROVE THE COMPANY'S STOCK OPTION PLAN. IN ORDER TO BE PASSED, A MAJORITY OF THE VOTES CAST AT THE MEETING IN PERSON OR BY PROXY MUST BE VOTED IN FAVOUR OF THE RESOLUTION. IN THE ABSENCE OF CONTRARY INSTRUCTIONS, THE PERSONS NAMED IN THE ACCOMPANYING FORM OF PROXY INTEND TO VOTE ANY COMMON SHARES REPRESENTED BY PROXIES HELD BY THEM IN FAVOUR OF THE RESOLUTION APPROVING THE STOCK OPTION PLAN.**

The full text of the Plan will be available at the Meeting. The Plan is available on [www.sedar.com](http://www.sedar.com) and may also be obtained by a Shareholder, without charge, upon request by contacting the Company at #202 Yale Court Plaza, 2526 Yale Court Road, Abbotsford, British Columbia V2S 8G9. A copy of the Plan is also available through the Internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at [www.sedar.com](http://www.sedar.com).

### **OTHER MATTERS WHICH MAY COME BEFORE THE MEETING**

As of the date of this Information Circular, management knows of no matters to come before the Meeting other than as set forth in the Notice of Meeting. However, if other matters not known to the management should properly come before the Meeting, the accompanying proxy will be votes on such matters in accordance with the best judgment of the persons voting the proxy.

### **ADDITIONAL INFORMATION**

The following documents filed with the securities commissions or similar regulatory authorities in British Columbia and Alberta are specifically incorporated by reference into, and form an integral part of this Information Circular:

- (a) the audited financial statements of the Company for the financial year ended July 31, 2017, together with the accompanying report of the auditors thereon and related Management's Discussion and Analysis;

- (b) the Company's Audit Committee Charter; and
- (c) the Company's Stock Option Plan.

Copies of documents incorporated herein by reference may be obtained by a shareholder upon request without charge from the Company at #202 Yale Court Plaza, 2526 Yale Court Road, Abbotsford, British Columbia V2S 8G9. These documents are also available through the Internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at [www.sedar.com](http://www.sedar.com).

### **APPROVAL OF DIRECTORS**

The contents of this Information Circular have been approved and this mailing has been authorized by the Board of the Company.

Where information contained in this Information Circular rests specifically within the knowledge of a person other than the Company, the Company has relied upon information furnished by such person.

The foregoing contains no untrue statement of material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

Dated at Abbotsford, British Columbia, this 22<sup>nd</sup> day of December, 2017.

*"Martin Walter"*

Martin Walter  
Director and Chief Executive Officer